

**STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS**

TO: Thomas Spoonemore, CEO
David C. Doucet, CFO
Donald A. Rabbitt
Richard Sulka
Barry David
USAuctions.com, Inc.
18801 Ventura Blvd., #310
Tarzana, CA 91356

AND

USAuctions.com, Inc.
21800 Oxnard Street, Suite 440
Woodland Hills, CA 91367

AND

USAuctions.com, Inc.
7334 Topanga Canyon Blvd., #105
Canoga Park, CA 91303

DESIST AND REFRAIN ORDER

The California Corporations Commissioner finds that:

1. Thomas Spoonemore was the CEO, president and founder of USAuctions.com, Inc. ("USAuctions"), a Colorado corporation formed in November 1998 and dissolved in May 2001. David C. Doucet, Donald A. Rabbitt and Richard Sulka were officers or directors of USAuctions. Barry David was a sales agent employed by USAuctions.
2. Beginning as early as December 1998, and continuing through at least August 2000, USAuctions, through its officers, directors, employees and agents, sold its common stock at \$2.00 per share and raised as much as \$1,000,000. The minimum purchase was \$10,000. Residents of California were among the investors who purchased the USAuctions shares.
3. In offering the stock, USAuctions told investors that it had a web-site, and that it was conducting a profitable e-commerce and online auction business. USAuctions claimed to be negotiating to purchase another company, Internet Media Development, Inc. Shortly after this announcement, however, USAuctions sold its web-site name (USAuctions.com) to a company in Seattle that sold boats, and dissolved.
4. The Department of Corporation has not issued a permit or other form of qualification authorizing any person to offer and sell stock of USAuctions in this state. The securities offered and sold were not exempt from the qualification requirement under Section 25110 of the California Corporate Securities Law of 1968.

DESIST AND REFRAIN ORDER

December 30, 2002

Re: USAuctions.com, Inc.

Page 2

Based upon the foregoing findings, the California Corporations Commissioner is of the opinion that the stock of USAuctions.com Inc. is a security subject to qualification under the California Corporate Securities Law of 1968 and is being or has been offered or sold without being qualified. Pursuant to Section 25532 of the California Corporate Securities Law of 1968, Thomas Spoonmore, David C. Doucet, Donald A. Rabbitt, Richard Sulka, Barry David and USAuctions.com, Inc. are hereby ordered to desist and refrain from the further offer or sale in the State of California of securities in the form of stock, unless and until qualification has been made under said law or unless exempt. This Order is necessary, in the public interest, for the protection of investors and consistent with the purposes, policies and provisions of the Corporate Securities Law of 1968.

Dated: December 30, 2002
Los Angeles, California

DEMETRIOS A. BOUTRIS
California Corporations Commissioner

By _____
ALAN S. WEINGER
Supervising Counsel
Enforcement and Legal Services Division